

**BRAE
CORPORATION**

RECORDATION NO. 11965-21
MAR 28 1988-1 25 PM
INTERSTATE COMMERCE COMMISSION

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MAR 28 1988-1 25 PM
INTERSTATE COMMERCE COMMISSION

VIA HAND DELIVERY

No. 8-089A050
Date MAR 29 1988
Fee \$ 50.00

March 25, 1988

RECORDATION NO. 11965-2
MAR 28 1988-1 25 PM
INTERSTATE COMMERCE COMMISSION

Ms. Agatha Mergenovich, Secretary
Interstate Commerce Commission
12th & Constitution, Room 2215
Washington, D.C. 20423

RECORDATION NO. 11965-V
MAR 28 1988-1 25 PM
INTERSTATE COMMERCE COMMISSION

Dear Ms. Mergenovich:

RECORDATION NO. 11965-2W
MAR 28 1988-1 25 PM
INTERSTATE COMMERCE COMMISSION

Enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. Section 11303 is one original and five copies of the following document:

Second Amendment dated as of July 30, 1984 to the Amended and Restated Credit, Pledge and Security Agreement dated as of July 24, 1981, as amended, among BRAE Transportation, Inc. (formerly BRAE Corporation) and Manufacturers Hanover Trust Company, The First National Bank of Boston, Berliner Handels-Und Frankfurter Bank and the Bank of California, N.A. and Manufacturers Hanover Trust Company, as Agent for the Banks.

The names and addresses of the parties to the transaction evidenced by the document described above are as follows:

DEBTOR: BRAE Transportation, Inc.
160 Spear Street, Suite 1600
San Francisco, CA 94105

LENDERS: Manufacturers Hanover Trust Company, Individually
and as Agent for the Banks
270 Park Avenue, 48th Floor
New York, NY 10017

The First National Bank of Boston
100 Federal Street
Boston, MA 02110

Berliner Handels-Und Frankfurter Bank
800 West 6th Street, Suite 900
Los Angeles, CA 90017

The Bank of California, N.A.
400 California Street, 17th Floor
San Francisco, CA 94104

Ms. Agatha Mergenovich
March 25, 1988
Page Two

Also enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. Section 11303 are two originals and five copies of the following documents:

AGREEMENT dated as of September 28, 1987 between BRAE Transportation, Inc. and Iowa Traction Railroad Company, as lessee.

EQUIPMENT SCHEDULE NO. 2 dated as of March 7, 1988 between BRAE Transportation, Inc. and Iowa Traction Railroad Company, as lessee.

For purposes of this filing, these documents relate only to those 25 railcars marked as follows:

IATR 2000 through IATR 2024 (AAR Mechanical Designation LO)

The names and addresses of the parties to the transactions evidenced by the documents described above are as follows:

LESSOR: BRAE Transportation, Inc.
160 Spear Street, Suite 1600.
San Francisco, CA 94105

LESSEE: Iowa Traction Railroad Company
P.O. Box 309
Mason City, IA 50401

Also enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. Section 11303 are two originals and five copies of the following documents:

EQUIPMENT SCHEDULE NO. 3 dated as of March 21, 1988 between BRAE Transportation, Inc. and Kyle Railroad Company, as lessee.

For purposes of this filing, these documents relate only to those 122 railcars marked as follows:

KYLE 102300 through KYLE 102377 (AAR Mechanical Designation LO)

The names and addresses of the parties to the transactions evidenced by the documents described above are as follows:

LESSOR: BRAE Transportation, Inc.
160 Spear Street, Suite 1600
San Francisco, CA 94105

LESSEE: Kyle Railroad Company
Third and Railroad Avenue
Phillipsburgh, KS 67661

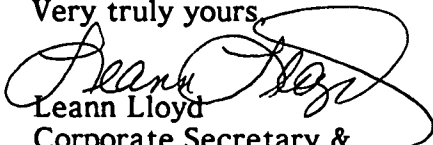
Ms. Agatha Mergenovich
March 25, 1988
Page Three

It is requested that all of the documents described above be filed and recorded under the names of the parties as set forth above. In view of the fact that they all relate to the Amended and Restated Credit, Pledge and Security Agreement dated as of July 24, 1981 among BRAE Transportation, Inc. (formerly BRAE Corporation) and Manufacturers Hanover Trust Company, The First National Bank of Boston, Berliner Handels-Und Frankfurter Bank and the Bank of California, N.A. and Manufacturers Hanover Trust Company, as Agent for the Banks, previously recorded and assigned recordation number 11965, we request that they be assigned the next available letter designations under that primary number.

I also enclose a check in the amount of \$50.00 for the required recordation fee.

Please return: (1) your letter acknowledging the filing, (2) a receipt for the \$50.00 filing fee, (3) the enclosed copy of this letter and (4) the originals and four copies of each document (retaining one copy for your files) all stamped with your official recordation information.

Very truly yours,


Leann Lloyd
Corporate Secretary &
Executive Legal Assistant

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

3/29/88

OFFICE OF THE SECRETARY

Leann Lloyd
Brae Corporation
160 Spear Street
San Francisco, California 94105

Dear MsLloyd:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/29/88 at 1:35pm, and assigned recordation number(s). 11965-U, 11965-V, 11965-W, 11965-X

Sincerely yours,

Narta L. McGee

Secretary

Enclosure(s)

COPY

RECORDATION NO. 11965-21
FEB 1428

MAR 28 1988 - 1 25 PM

INTERSTATE COMMERCE COMMISSION

Second Amendment dated as of July 30, 1984 ("Amendment") to the Amended and Restated Credit, Pledge and Security Agreement dated as of July 24, 1981, as amended by First Amendment dated as of August 30, 1982 (the "Agreement"), among BRAE Corporation (the "Company") and Manufacturers Hanover Trust Company, The First National Bank of Boston, Berliner Handels-und Frankfurter Bank, The Bank of California, N.A. (individually, a "Bank", and together, the "Banks"), Crocker National Bank ("Crocker") and Manufacturers Hanover Trust Company, as agent ("Agent").

RECITALS

- A. The Company, the Banks, Crocker and the Agent are parties to the Agreement.
- B. Crocker has requested to withdraw its Commitment and to allow the Company to retire all outstanding indebtedness to Crocker.
- C. The Company has requested that the Commitment of the Banks remaining after Crocker withdraws its Commitment be reduced from \$12,000,000 to \$11,000,000.
- D. Crocker, the Banks and the Agent are willing to make such amendments to the Agreement on the terms and conditions of this Amendment.

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and pursuant to Section 12.1 of the Agreement, the parties agree as follows:

AGREEMENTS

1. The terms used in this Amendment which are defined in the Agreement shall have the same meanings herein as specified therein unless specifically redefined.

2. Amendment of Section 2.1. Section 2.1 of the Agreement is hereby amended by deleting such section in its entirety and by substituting therefor a new Section 2.1, as follows:

"2.1 The Revolving Credit Commitment. Subject to the terms and conditions of this Agreement, each Bank severally agrees to make loans to the Company from time to time from the Effective Date to and including the Termination Date in an aggregate principal amount not to exceed the amount set opposite such Bank's name below (such amount, as the same may be reduced as provided herein, being called the "Commitment" of such Bank and the aggregate amount for all the Banks being called the "Commitments"):

<u>Bank</u>	<u>Commitment</u>	<u>% of Total Commitments</u>
Manufacturers Hanover Trust Company	\$ 4,000,000	36.364 %

<u>Bank</u>	<u>Commitment</u>	<u>% of Total Commitments</u>
The First National Bank of Boston	4,000,000	36.364%
Berliner Handels-und Frankfurter Bank	2,000,000	18.182%
The Bank of California, N.A.	<u>1,000,000</u>	<u>9.090%</u>
	<u>\$11,000,000</u>	<u>100.00%</u>

provided that no Bank shall be required to make any Stock Loan or Unit Loan under this Agreement if, after giving effect thereto, the aggregate outstanding principal amount of all Stock Loans or all Unit Loans shall exceed the Stock Borrowing Base or the Unit Borrowing Base, as the case may be, and provided further that no Bank shall be required to make any Margin Stock Loan under this Agreement if such Bank determines that such Margin Stock Loan would be in contravention of Regulation U or X.

During such period the Company may use the Commitments by borrowing, prepaying the Revolving Credit Notes and reborrowing, all in accordance with the terms and conditions hereof."

3. Termination of Commitment of Crocker. On the date that this Amendment shall take effect, Crocker shall be deemed to have terminated its Commitment, and from such date, Crocker shall no longer be considered a Bank as defined in the Agreement. Notwithstanding the provisions of Section 2.6(c) of the Agreement, Crocker waives any right to require that the Company issue a Term Note in substitution for and replacement of the outstanding Revolving Credit Note of Crocker.

4. Repayment of Outstanding Revolving Credit Note of Crocker. On the date that this Amendment shall take effect, each of the Banks shall make additional loans equal to each Bank's pro rata share, according to the Commitments, as amended herein, in replacement of and substitution for the outstanding principal amount and interest due, if any, of the Revolving Credit Note of Crocker such that the outstanding principal amount of the Revolving Credit Note of each Bank shall equal such Bank's pro rata share of the aggregate outstanding principal amount of the Revolving Credit Notes of all the Banks.

5. Deletion of Crocker from Signature Pages. On the date that this Amendment shall take effect, any and all references to Crocker in the Agreement shall be deemed deleted, including, but not limited to, references in the signature pages of the Agreement.

6. Termination of Obligations of Crocker. On the date that this Amedment shall take effect, Crocker shall no longer have any rights or obligations under the Agreement, provided, however, that Crocker shall remain obligated to indemnify the Agent as set forth in Section 11.6 of the Agreement for any and all occurrences or omissions prior to such date.

7. This Amendment shall take effect as of the date hereof upon its due execution by the Company, the Banks, Crocker and the Agent.

8. Except as amended herein, the Agreement shall remain in full force and effect.

9. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original but all of which when taken together shall constitute a single instrument.

10. The provisions of this Amendment and all rights and obligations of the parties hereunder shall be governed by the laws of the State of New York.

11. The Company shall cause this Amendment to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303, as soon as possible and shall promptly thereafter provide stamped copies of this Amendment to the Agent.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first written above.

Attest:

By

Title ASSISTANT SECRETARY

BRAE CORPORATION

By

Title LAWRENCE W. BRISCOE
PRESIDENT

Attest:

By

Title

By

Title

MANUFACTURERS HANOVER
TRUST COMPANY, individually and
as agent

THE FIRST NATIONAL BANK OF BOSTON

Attest:

By

Title

By

Title

BERLINER HANDELS-UND
FRANKFURTER BANK

Attest:

By _____

Title _____

By _____

Title _____

James H. Anderson
SVP.
Asst Treas.

THE BANK OF CALIFORNIA, N.A.

Attest:

By _____

Title _____

By _____

Title _____

CROCKER NATIONAL BANK

Attest:

By _____

Title _____

By _____

Title _____

~~BERLINER HANDELS-UND
FRANKFURTER BANK~~

Attest:

By _____

Title _____

By _____

Title _____

THE BANK OF CALIFORNIA, N.A.

Attest:

By _____

Title _____

By _____

Title _____

CROCKER NATIONAL BANK

Attest:

By _____

Title _____

By _____

Title _____

BERLINER HANDELS-UND
FRANKFURTER BANK

Attest:

By _____

Title _____

By _____

Title _____

THE BANK OF CALIFORNIA, N.A.

Attest:

By _____

Title _____

By _____


Title _____

CROCKER NATIONAL BANK

Attest:

By _____

Title _____

By 

Title Vice President

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this 31st day of July, in the year 1984, before me personally appeared LAWRENCE W. BRISCOE, to me personally known, who, being by me duly sworn, did depose and say that he is the PRESIDENT of BRAE CORPORATION, the corporation which executed the above instrument, that he signed his name to the above instrument by authority of the Board of Directors of said corporation, and that he acknowledged that the execution of the above instrument was the free act and deed of such corporation.



Leann Lloyd
Notary Public

[seal]

My commission expires: July 24, 1987

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 2nd day of August, in the year 1984, before me personally appeared David L. Wilson, to me personally known, who, being by me duly sworn, did depose and say that he is the Asst. V.P. of MANUFACTURERS HANOVER TRUST COMPANY, the corporation which executed the above instrument, that he signed his name to the above instrument by authority of the Board of Directors of said corporation, and that he acknowledged that the execution of the above instrument was the free act and deed of such corporation.

Owen P. McKenna Jr.
Notary Public

[seal]

My commission expires: _____

OWEN P. MCKENNA JR.
NOTARY PUBLIC, State of New York
No. 6166459087
Qualified in New York
Commission Expires March 30, 1985

STATE OF MASSACHUSETTS)
) ss.
COUNTY OF SUFFOLK)

On this ____ day of _____, in the year 1984, before me personally appeared _____, to me personally known, who, being by me duly sworn, did depose and say that he is the _____ of THE FIRST NATIONAL BANK OF BOSTON, the corporation which executed the above instrument, that he signed his name to the above instrument by authority of the Board of Directors of said corporation, and that he acknowledged that the execution of the above instrument was the free act and deed of such corporation.

Notary Public

[seal]

My commission expires: _____

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this ____ day of _____, in the year 1984, before me personally appeared _____, to me personally known, who, being by me duly sworn, did depose and say that he is the _____ of CROCKER NATIONAL BANK, the corporation which executed the above instrument, that he signed his name to the above instrument by authority of the Board of Directors of said corporation, and that he acknowledged that the execution of the above instrument was the free act and deed of such corporation.

Notary Public

[seal]

My commission expires: _____

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this ____ day of _____, in the year 1984, before me personally appeared _____, to me personally known, who, being by me duly sworn, did depose and say that he is the _____ of THE BANK OF CALIFORNIA, N.A., the corporation which executed the above instrument, that he signed his name to the above instrument by authority of the Board of Directors of said corporation, and that he acknowledged that the execution of the above instrument was the free act and deed of such corporation.

Notary Public

[seal]

My commission expires: _____

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this ____ day of _____, in the year 1984, before me personally appeared _____, to me personally known, who, being by me duly sworn, did depose and say that he is the _____ of BERLINER HANDELS-UND FRANKFURTER BANK, the corporation which executed the above instrument, that he signed his name to the above instrument by authority of the Board of Directors of said corporation, and that he acknowledged that the execution of the above instrument was the free act and deed of such corporation.

Notary Public

[seal]

My commission expires: _____